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October 24,2005

Pauline Bickley
Senior Office Clerk
Western Lewis-Rectorville Water and Gas District
8000 Day Pike
Maysville, KY 41056-9344

CERTIFICATE OF SERVICE

RE: Case No. 2005-00421
Western Lewis-Rectorville Water and Gas District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on October 24,2005.

Executive Director

BOD/sh
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)
FILING OF WESTERN LEWIS-)
RECTORVILLE WATER AND GAS DISTRICT) CASE NO. 2005-00421

ORDER

On May 12, 1993, in Case No. 1992-00331, the Commission approved rates for Western Lewis-Rectorville Water and Gas District (“Western Lewis”) and provided for their further adjustment in accordance with Western Lewis’s gas cost adjustment (“GCA”) clause.’

On October 10, 2005, Western Lewis filed its proposed GCA to be effective November 1, 2005. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until after October 1, 2005. As KRS 278.180 permits the Commission to shorten the required notice period for good cause, the Commission finds the request should be granted.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Western Lewis’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Western Lewis’s notice sets out an expected gas cost (“EGC”) of \$16.9790 per Mcf, which is \$3.6195 per Mcf more than the prior EGC of \$13.3595.

¹ Case No. 1992-00331, The Application of Western Lewis-Rectorville for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated May 12, 2003.

3. Western Lewis's notice sets out no refund adjustment.

4. Western Lewis's notice sets out no current quarter actual adjustment ("AA"). Western Lewis's total AA is (\$1.8192) per Mcf, which is no change from the previous total AA.

5. Western Lewis's notice sets out no current quarter balance adjustment ("BA"). Western Lewis's notice sets out a total BA of (2.25) cents per Mcf, which is no change from the previous total BA.

6. Western Lewis's gas cost recovery rate ("GCR") is \$15.1373 per Mcf, which is \$3.6195 per Mcf more than the previous rate of \$11.5178.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Western Lewis on and after November 1, 2005.

IT IS THEREFORE ORDERED that:

1. Western Lewis's request to shorten the period in which it must provide notice of the proposed adjustment from 30 days to 20 days is granted.

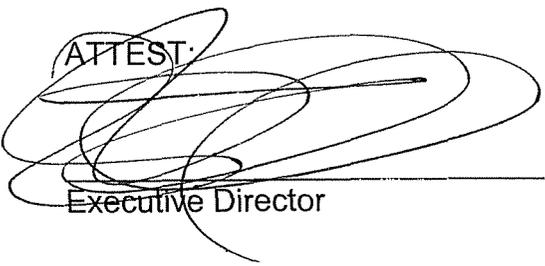
2. The rates in the Appendix to this Order are approved for billing for service rendered on and after November 1, 2005.

3. Within 20 days of the date of this Order, Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 24th day of October, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00421 DATED October 24, 2005.

The following rates and charges are prescribed for the customers served by Western Lewis–Rectorville Water and Gas District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RETAIL RATES:

Customer Charge	\$1.00 per month		
<u>Monthly usage</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$15.1373	\$19.1256
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	15.1373	16.5938
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	15.1373	16.5343
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	15.1373	16.3601